

The Perceptions of Northeast Asia's Four States on Korean Unification



Bae, Jung-Ho
Park, Young-Ho
Park, Jae-Jeok
Kim, Dongsoo
Kim, Jangho

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Address 123, 4.19ro (Suyudong), Gangbuk-gu, Seoul 142-728, Korea

Telephone (82-2) 901-2685

Fax (82-2) 901-2572

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Summary

Summary

This paper analyzes the perceptions of the United States (U.S.), China, Japan, and Russia on the issues of the division of the Korean Peninsula and a South Korea-led unification based on a survey conducted on experts in the respective countries. Each country's five experts on the Korean Peninsula (total of 20 experts) presented their in-depth views on a list of eight questions including (1) the costs and benefits of the division as well as unification, (2) the international community's efforts for unification, and (3) the value of a unified Korea. In order to compile a balanced view, the authors of this paper have taken into consideration the affiliation, age, political tendency, etc when selecting the experts.

The first chapter describes the purpose and background of the study. The following four chapters on the analysis of the U.S., China, Japan, and Russia's perceptions on the division of the Peninsula as well as its unification are each composed of three parts. First, the costs and benefits incurred to the respective states on its military security, economic, and socio-cultural fields are analyzed with respect to (1) the costs it bears owing to the division of the Peninsula, (2) the

positive effects that unification brings and (3) the negative effects that unification entails. In addition, it also suggests the prerequisite conditions needed to minimize the negative effects of unification on each state, and addresses specific means to achieve them. Second, the paper also looks at each state's efforts for unification on the international stage. In particular, given that resolving North Korea's nuclear issue as well as the denuclearization of the Peninsula is urgent for Northeast Asia's peace and prosperity, this paper analyzes each state's role in resolving these issues. Moreover it assesses the four states' perceptions on the regional consultative bodies in Northeast Asia concerning the division and unification of the Peninsula, including the Six-Party Talks. Third, the paper analyzes what the four states consider to be most important in the process of unification, as well as their understanding of how unification benefits their respective national interests. Additionally, it discusses the values South Korea must pursue after unification in order to promote peace and prosperity in the region, and how the four states each have set their vision of a desirable unified Korea.

This paper is the outcome of the first year project, part of a three-year project to develop 'unification diplomacy contents.' It is expected that based on the first year's research results, substantive contents for the second year will be developed. In other words, this study will be used as rudimentary material to contribute to a unification diplomacy that can cater to the U.S., China, Japan, and Russia.



**Korean Peninsula
at a Crossroad
and the Importance of
Unification Diplomacy**

1. Korean Peninsula at a Crossroad and the Importance of Unification Diplomacy

Recently, the international strategic environment in the Northeast Asian region has experienced many changes with the rise of China. Under the premise that China continues its consistent economic growth, it has perceived U.S.-China relations to be a 'new model of major country relations,' and has stepped forward as a global superpower.

With regards to China's rise, the U.S. has responded with its 'Pivot to Asia' and 'Asia rebalancing' policy. While strengthening ties with Beijing, Washington has also pursued a policy of hedging. The U.S. has consolidated its traditional alliance system centered on the U.S.-Japan alliance, bolstered strategic partnership with India and also intensified the military network with the Association of Southeast Asian Nations (ASEAN).

Opinions on China's rise as the G2 and the advent of a new model of major country relations are divided between the optimists and the cautious. However, as Professor John J. Mearsheimer states, if the emergence of a new model of major country relations forms a

confrontational structure or competition between the U.S. and China, the Korean Peninsula will become the worst geopolitical location. The centrifugal force on the Korean Peninsula, where the continent meets the ocean, may be greater than the centripetal force. If South Korea's centripetal force is much weaker than the U.S. and China's centrifugal force, the Korean Peninsula may become politically sandwiched between the U.S. and China.¹⁾ Therefore, the fate of the Korean Peninsula may face transformative circumstances in this era of global change.

However, the fate of the Korean Peninsula and the Korean people can change depending on their determination, passion, and preparation to realize unification and become a Great power Korea (GK). As George Friedman emphasized in his book *Next Decade*, depending on South Korea's strategic preparation for the coming ten years, South Korea's centripetal forces could lead its centrifugal forces and South Korea can develop into a Great power Korea (GK).

South Korea and the Korean people's pursuit to become a Great power Korea (GK) is an epochal task in times of global transformations, and the unification of the Korean Peninsula is necessary to become a Great power Korea (GK).²⁾ Attempting to construct a Great power Korea (GK) will be much simpler if it is done through a unified

1) Jung-Ho Bae, "A vision of Korean unification and its value," *Korean Unification and the Positions and Roles of the Four Neighboring Powers*. (Seoul: Korea Institute for National Unification), 2011. p.5. (in Korean)

2) *Ibid.*, p.6.

Peninsula than on a divided one.

In order to achieve Korean unification and become a great power, it is vital to minimize the centrifugal forces exerted on the Peninsula while increasing the centripetal forces of the Korean people.

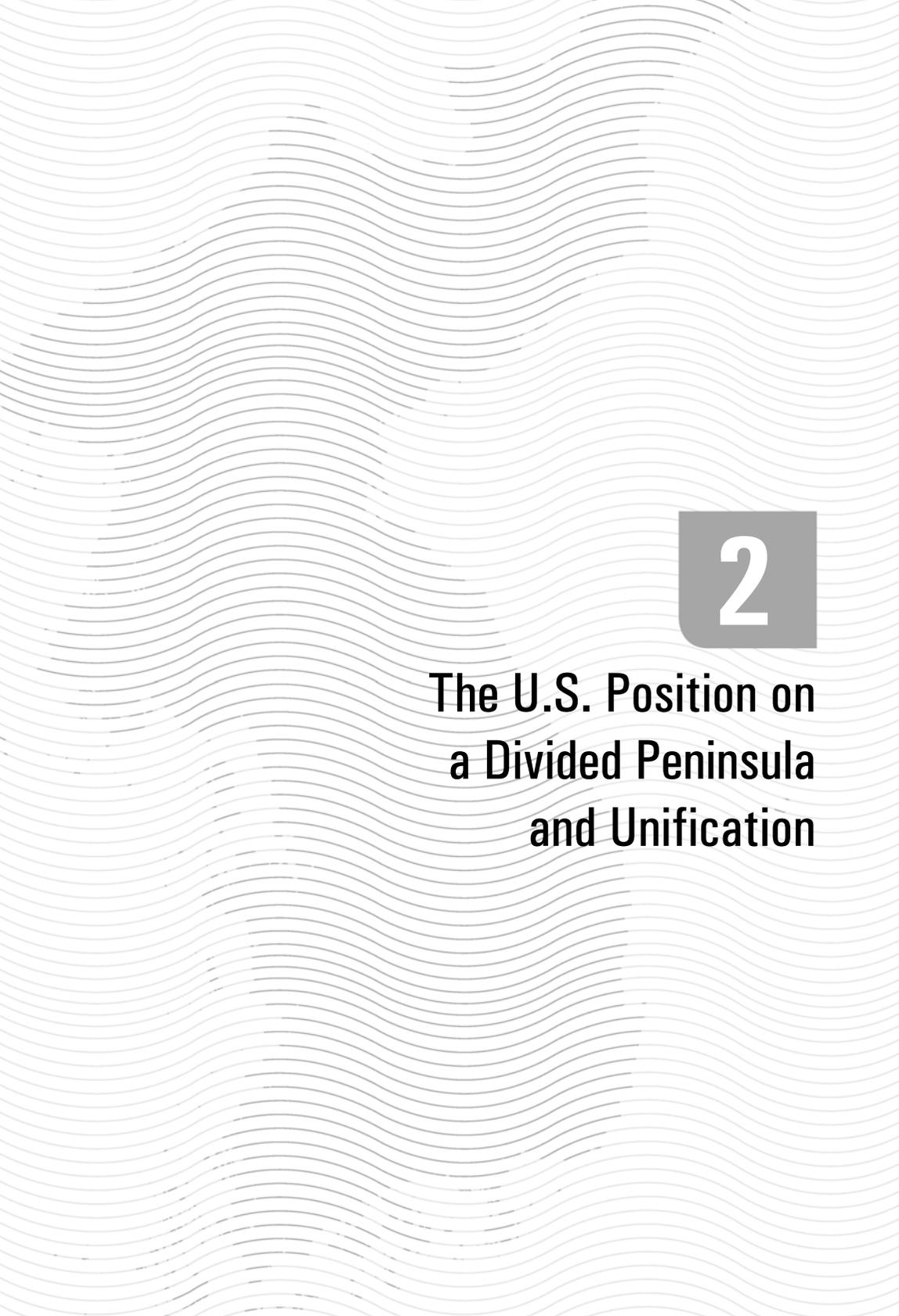
Increase in centripetal forces happens by self-supporting efforts of the Korean people. Minimizing centrifugal forces occurs by creating a friendly international environment surrounding the Peninsula based on increased centripetal forces. The creation of a favorable international environment around the Peninsula is also beneficial to increase centripetal forces. In other words, increasing centripetal forces and minimizing centrifugal forces can be achieved in a virtuous cycle.

Therefore, regarding Korean unification, strategic diplomacy in the realm of Northeast Asia and the international community is crucial to the advancement of inter-Korean relations as well as international cooperation. In particular, the strategic importance of unification diplomacy becomes even greater when Korean unification is pursued while responding to changes in a globally transitioning strategic environment.

China's strategy of a new model of major power relations and the U.S. pivot to Asia could heighten the strategic value of the Peninsula. Therefore, unification diplomacy and efforts to increase South Korea's centripetal forces are strategically important in order to utilize such opportunity.

Although South Korea must project its potential to take the leading role in realizing peaceful unification, its sole efforts will face numerous limitations. Therefore, in addition to inter-Korean preparation, it is important for South Korea to build the foundation for unification under international support as well as establishing an international cooperative system which can continuously support the unification process and the period after unification. To this end, unification diplomacy toward neighboring states, especially, relations with the U.S., China, Japan, and Russia must be strengthened in order to stimulate attitudes favorable to unification. For these reasons, the strategic importance of unification diplomacy aimed at cultivating U.S., China, Japan, and Russia's support and cooperation for a South Korea-led unification is ever increasing.

In order for Seoul to strengthen its unification diplomacy toward Washington, Beijing, Tokyo, and Moscow, the most substantial task is to grasp the perceptions and stances of the four states on the issue of a South Korea-led unification. In other words, considering the four states' perception on the division of the Peninsula and its unification, as well as how it might affect their national interests must precede the establishment of a more effective unification diplomacy strategy.



2

**The U.S. Position on
a Divided Peninsula
and Unification**

2. The U.S. Position on a Divided Peninsula and Unification

A. Costs and benefits of Korean division/unification

The costs of a divided Korea that the U.S. bears in military/national security aspects, originates from the stationing of the U.S. Armed Forces in Korea, building a missile defense system against North Korean nuclear weapons and long-range missiles, regular and occasional joint military exercises, and deploying forward-based military power in the Asia-Pacific region for South Korea's national security. North Korea's development of nuclear arms imposes particular burden and responsibility to the U.S. In addition, there is the cost of regulating North Korea's international criminal activities such as counterfeit cash and the manufacture, distribution and sales of illegal drugs. At the same time, the U.S. shoulders political and diplomatic cost. It is incurred from their commitment to South Korea's national security and maintenance of Northeast Asia's regional order owing to the division of the Korean Peninsula. Particularly, since China's rise in the 21st century, the U.S. has had to take South Korea into account when shaping its relation with China.

The U.S. economic cost is mostly generated in military/ national security spheres, but there is also the opportunity cost from Korea's territorial division. More opportunities for U.S. cooperation with South Korea and their investment in the country are restricted. From the U.S. perspective, their economic, social and cultural expenses derive from the possibility of Pyongyang's military provocations and the nature of the North Korean system. Korea's security situations entail additional opportunity cost and this affects foreign investors' investment in Korea. However, as a result of the development of ROK-U.S. economic relations, Korea's economic capabilities and market stability, the economic costs of both countries caused by the division are not all that seriously expensive. The U.S. also has to bear the tangible costs and diplomatic costs in order to bring about North Korea's human rights improvement. Moreover, since the U.S. barely has economic ties with North Korea, humanitarian assistance costs and economic costs are insignificant. The U.S. does not spend huge sums in social and cultural context because they actively cooperate with South Korea based on shared values.

Korean unification is welcomed by the U.S. because it is based on democratic values and free market economy. National unification solves North Korea issues, thus brings reduction in military expenditures. Also, it can greatly contribute to the global security strategy of non-proliferation by solving North Korea's issue of weapons of mass destruction such as nuclear weapons and long-range missiles. The

ROK-U.S. alliance can be adjusted according to the new regional order in Northeast Asia, and further be evolved into a global partnership that is not limited to the regional level. Furthermore, Korean unification provides an opportunity to cooperatively develop Korea's relations with China.

In economic aspects, the U.S. will be able to make new profits by, above all, redirecting some of its investment in national defense and security to economic sectors. The U.S. will have a higher chance of acquiring economic profit by participating in the reconstruction process of social overhead capital. The U.S. is expected to benefit from its market expansion in Northeast Asia and enjoy investment opportunities.

Korean unification would bring positive outcomes to the U.S. and offset their negative effects as a unified Korea will be built upon democratic values and free market economy. The U.S. will also participate in this process as a member of the international community since rebuilding North Korea right after unification is expected to incur significant cost. However, the cost is not understood as a burden to the U.S., but as a necessary step for new opportunities.

The U.S. main concerns are the directions of which the ROK-U.S. alliance is to be adjusted, and how the relation between a unified Korea and China will develop. The U.S. believes that in order to minimize the cost relevant countries will bear during the process of unification, it is desirable to promote unification in a peaceful and

gradual manner rather than radically propelling the same process. Also, China's cooperation is crucial during the process, and thus South Korea shares the view with the U.S. that China must be included in the unification process as an international partner.

B. Cooperation for Korean unification

The U.S. is the only country out of the four neighboring states that officially supports South Korea-led unification at the governmental level. They support unification based on democracy and market economy, and such view is described in the Joint Declaration in Commemoration of the 60th Anniversary of the Alliance between the Republic of Korea and the United States of America. Their view remains unchanged even though they have not actively expressed their endorsement for South Korea-led unification through comments or declarations. American experts on Korea have generally pointed out that the U.S. is an important asset in the process of unification and will maintain their close political partnership with South Korea. Also, if South Korea takes the lead in the unification process, the negative effects will not be as large as expected. However, experts stress that in order to minimize the negative impacts Korean unification can bring, close prior collaboration between South Korea and the U.S. is necessary. Both countries agreed upon the need to

promote unification based on liberal democracy and market economy during the summit meeting.

From the U.S. point of view, a unified Korea based on the values and principles shared with the U.S. and especially, its denuclearization, serves their national interest well. Thus, every country should favor a gradual and peaceful unification through changes in North Korea.

The U.S. main considerations in the unification process are as follows. Firstly, due to China's increasing political leverage during the unification process, the U.S. worries whether South Korea will utilize the complex strategy of 'engagement and hedging' between them and China. The U.S. fears the possibility of Chinese dominance, but points out the importance of China's cooperation and their participation as a partner for a South Korea-led unification process. Secondly, assuming the viability of the process, there remains the question of whether a gradual and peaceful process is possible. The U.S. emphasizes the task of smoothly handling emergency situations that are likely to happen when unification is processed rapidly. A gradual unification process is of equal importance to the U.S. since it requires the cooperation of international community including the U.S. to cover the expenses after unification. Thirdly, from the U.S. perspective, regardless of the pace of transition, the major task is the disposal of North Korea's nuclear weapons and materials. Also, it is important to prevent North Korea's weapon development technology including missiles from coming

into the possession of rogue states or non-state groups. A unified Korea has to take a nuclear-free stance amid China and Japan's competition over their influence over Korea, and in this regard, maintenance of the ROK-U.S. alliance is crucial.

The U.S. is expected to actively cooperate with a South Korea-led unification, but they regard the solution to the weapons of mass destruction such as nuclear weapons and long-range missiles as the most important issue prior to unification.

Experts agree upon the U.S. pivotal role in achieving the denuclearization of the Korean Peninsula. This is because first, the North Korean nuclear problem is a global task dealing with non-proliferation and establishing regional security; and second, only the U.S. is in the position to restrain South Korea, North Korea and a unified Korea from becoming nuclearized. The U.S. reiterates that they will maintain partnership with South Korea in implementing the policies, and further strengthen their relations with neighboring countries such as China, Japan, and Russia in a similar manner. Above all, China's active role is seen important.

On the other hand, Northeast Asia lacks multilateral organizations to support Korean unification, and in order for the Six-Party Talks to serve such role, the North Korean nuclear issue must be resolved in advance. Under the situation in which the Six-Party Talks is stalled, a new form of multilateral talks seems unlikely unless it greatly appeals to each country. They are asked to act with more prudence in

leading Northeast Asian Peace and Cooperation Initiative and ROK-China-Japan trilateral strategic dialogue to a success, and to ultimately contribute to national unification.

C. Views on a unified Korea's values and its desirable future

The emergence of a South Korea-led unification is highly valued by the U.S. because it proves the success of democracy and free market economy, and means the completion of North Korea's denuclearization. The U.S. specifically considers the importance of a unified Korea as a completion of the denuclearization of the Korean Peninsula.

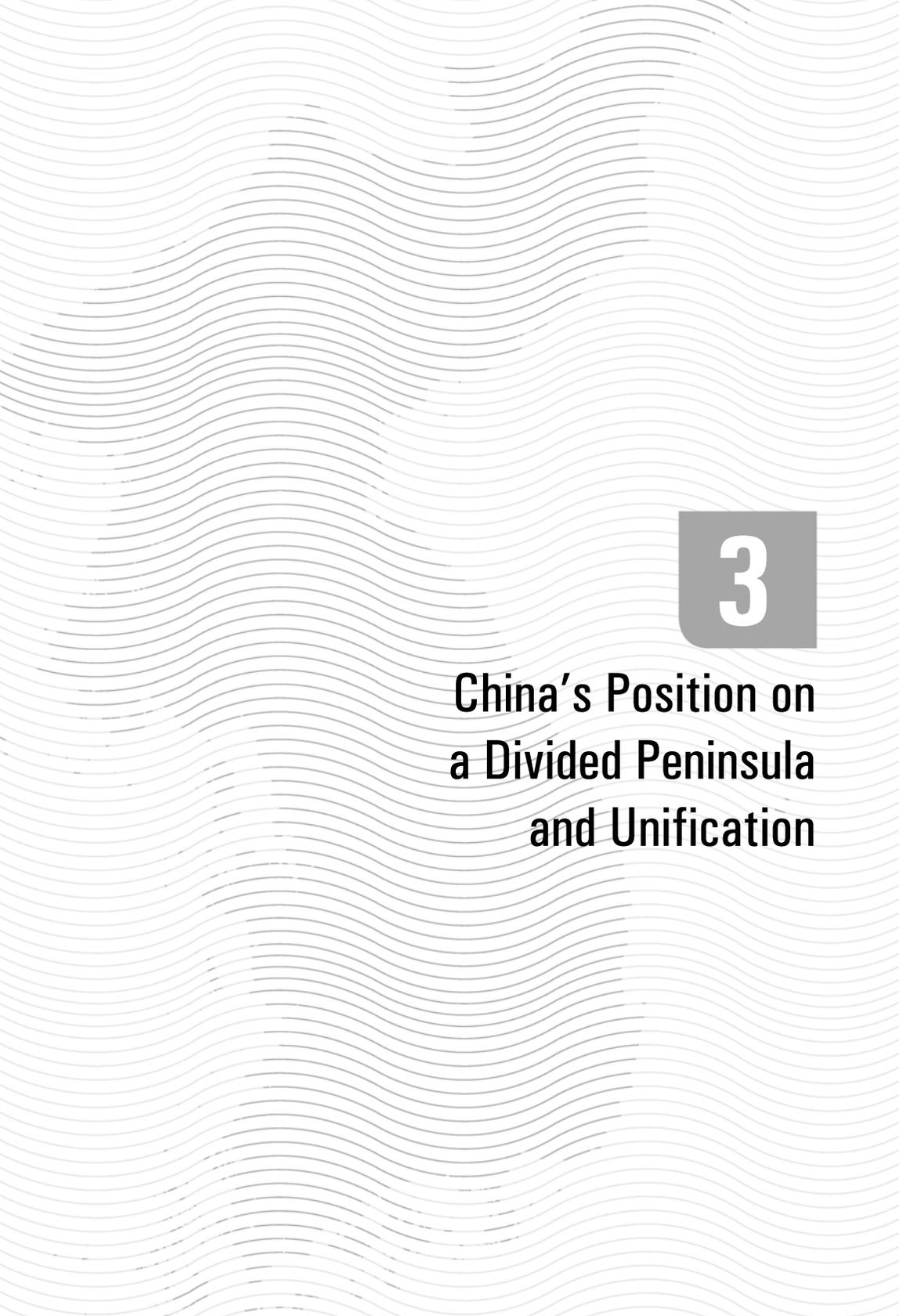
American experts have pointed out that a unified Korea should rest on democracy and market economy through which Korea has achieved phenomenal growth. They have also mentioned South Korea's contribution to fair competition and free trade. Furthermore, they have stressed the need to denuclearize the Peninsula considering the U.S. main security concerns. They also highlighted that a unified Korea is required to keep its promise with the world economy to open its market and also contribute to regional stability.

The emergence of a unified Korea indicates the establishment of new global order in Northeast Asia. This is because the Northeast Asian region has been, and will be the economic hub for world

economy. The Korean Peninsula lies in the center of the region, surrounded by great powers. Thus, the new regional order in Northeast Asia implies the rise of a new order on a global level. Therefore, American experts expect Korea to perform a decisive role in promoting peace and co-prosperity in the world order. One of the experts noted that a unified Korea would no longer be a ‘shrimp among a herd of whales,’ which implies the constructive role of Korea in the world order. In addition to their forecasts, they reconfirm that maintaining the ROK-U.S. alliance would benefit both the U.S. and Korea.

Moreover, the advent of a unified Korea gives momentum to the establishment of a new world order. Therefore, a unified Korea is expected to take an exemplary role of peace and co-prosperity in the region and beyond.

The U.S. wishes that a unified Korea promotes their shared values such as democracy, free market economy, human rights, and peace through the continuance of the ROK-U.S. alliance. Also, they expect Korea to contribute more to the international community. The U.S. suggested openness, flexibility, partnership, sharing, and integration as core values of a unified Korea. Openness refers to Korea’s role as one of the leading nations in the economic and political system.



3

**China's Position on
a Divided Peninsula
and Unification**

3. China's Position on a Divided Peninsula and Unification

A. Costs and benefits of Korean division/unification

The cost China bears for Korea's division is foremost the consolidation of the U.S.-led alliance system in Northeast Asia. China is concerned that North Korea's development of weapons of mass destruction and their military's adventurism, and deviant behaviors provide an excuse to deepen the ROK-U.S. alliance and the U.S.-Japan alliance. For example, the U.S. and South Korea held intense joint military exercises in the Yellow Sea involving an American aircraft carrier in response to the sinking of South Korea's Cheonan and North Korea's artillery barrage of the South Korean island, Yeonpyeong. China fears that the Yellow Sea is being utilized as a gateway for the U.S. in having their ways into the heartland of Beijing and Tianjin, thus regards these military exercises as one of the U.S. containment policies.

China particularly worries about the delay in the regional development of Northeast China, let alone the economic expenses incurred by the division. Due to the chronic security threats on the

Korean Peninsula, both domestic and foreign investors are not favorable to the massive investment in the Northeastern region.

Korean unification helps improve China's image as a 'responsible great power' because China no longer needs to adhere to its biased attitude towards North Korea's abnormality and their provocations. Also, in the process of shaping the security order in Northeast Asia in the post-unification era, it is able to undermine the justification for the U.S. in strengthening alliance and relations with other states in the region. Economically, for the development of the Northeast region, China can cooperate with a unified Korea, reborn as a huge market of 70 million people, on the basis of economic calculations rather than that of security. Moreover, Korean unification can expand the Korea-China or Korea-China-Japan free-trade zones, and create an 'Asian economic zone' that includes Russia and Mongolia.

Despite the cost they bear for unification and foreseeable benefits after the event, China fears that the negative 'unification effect' might occur during the unification process or even after. If the North Korean regime collapses during the process, a huge number of refugees might pour into the Northeastern part of China. Also, there is the probability of military involvement of outside forces. After unification, when the 'security buffer' called North Korea becomes extinct, China's security may be under the threat of the U.S. Armed Forces stationed in Korea. China asserts that in order to ease their concerns, South Korea needs to clarify at the current situation that a

unified Korea will not be hostile to China nor will the American forces be stationed on the Peninsula. Furthermore, China wants to confirm that a unified Korea will not possess nuclear weapons and maintain friendly relations. From China's point of view, the economic cost of unification involve the erosion of their economic profits earned from North Korea and competition with a unified Korea. Therefore, China wishes South Korea to guarantee their existing economic benefits and develop mutually cooperative relationship in economic sectors after unification based on the logic of state succession.

B. Cooperation for Korean unification

China is working toward North Korea's denuclearization for the Korean Peninsula's stability and unification. China sympathizes with North Korea's argument that their nuclear weapons development is to counterbalance the U.S. and South Korea's security threats. That is to say, North Korea has developed nuclear weapons as a self-defense mechanism because they have not yet built regional peace structure with South Korea and the U.S. In addition, as Kenneth Waltz claimed in 'Foreign Affairs,' some Chinese argue that a nuclear North Korea can in fact bring peace to Northeast Asia.³⁾ However, this is only a

3) Kenneth Waltz, "Why Iran Should Get the Bomb: Nuclear Balancing would Mean Stability," *Foreign Affairs*, July/August 2012.

marginal opinion, and China does not support North Korea's development of nuclear arms. North Korea's possession of nuclear weapons is a security threat to China, and possibly triggers nuclear armament of South Korea, Japan and Taiwan. Besides, as seen from Japan's Fukushima nuclear disaster, North Korea's nuclear accidents can harm neighboring China. Considering North Korea's limited experience with nuclear materials and the confined size of North Korea, nuclear accidents in the area will cause irreparable damage to Northeastern region of China.

In China, some say that aiming for North Korea's denuclearization lacks practicality when North Korea already possesses a significant level of nuclear technology. Rather, North Korea's nuclear possession should be recognized and 'managed' through bilateral, trilateral and multilateral talks. However, the keynote of Chinese policies is North Korea's denuclearization as clearly stated during the ROK-China summit meeting in June, 2013. North Korea's possession of nuclear weapons is not only a challenge to China's status as a permanent member of United Nations Security Council (UNSC) and their global image, but also affects China's national security.

China has continuously demanded North Korea's denuclearization. However, China has been lukewarm toward the imposing the international community's economic sanctions on North Korea until North Korea's second nuclear test. This is because China had assessed that North Korea's nuclear capability was not enough to

pose a threat to the international community. Nonetheless, when North Korea carried out their third nuclear test in spite of China's warning, China realized that North Korea's nuclear capability has reached a substantial level. China expressed its concern about North Korea's nuclear tests because it justifies the U.S. consolidation of their alliances with South Korea and Japan in Northeast Asia. In response to the third nuclear test, the U.S. conducted a military exercise in the Yellow Sea with the participation of an aircraft carrier, USS George Washington. In this context, some insist that China should consider North Korea which disregarded their opinion more as a burden than an asset. Additionally, the normalization of ROK-China relations has decreased North Korea's value as a security buffer. Within Chinese authorities, some even argue that the whole Korean Peninsula could work as a security buffer and not just North Korea alone.

China strives for North Korea's denuclearization so as to improve its global image as the responsible regional power and a permanent member of the UNSC. To convince Pyongyang to abandon its nuclear arsenal, Beijing prefers the following steps: making progress in conversation through inter-Korean reconciliation, and then resolving the nuclear issue in cooperation with the international community. China hopes South Korea to hold inter-Korean talks, and further contribute to repairing U.S.-DPRK relations by persuading Washington to cease its hostility toward Pyongyang. However, this is only a case of wishful thinking and China is aware that this is of low possibility.

China utilizes a multilateral approach as an alternative plan. China favors the Six-Party Talks over other multilateral options within Northeast Asia about the division and unification of the Korean Peninsula.

The armistice agreement system is one multilateral system, but China does not actively support North Korea's attempt to make use of it. The armistice agreement system has not been successful in deterring inter-Korean military frictions and skirmishes, but has at least prevented the outbreak of another full-scale war. North Korea has requested U.S.-DPRK talks and the U.S. recognition for the sake of replacing armistice agreement with a permanent peace treaty. China supports U.S.-DPRK talks and the conclusion of a peace treaty. However, the U.S. and South Korea believe that North Korea is scheming to conclude the treaty as a step to demand the withdrawal of the U.S. Armed Forces in Korea. Therefore, there is a remote possibility for the conclusion of a peace treaty. Moreover, North Korea's third nuclear test contributed to this trend and lowered the possibility of the U.S. and South Korea separating the issue of a transition to peace system from North Korea's denuclearization.

China argues that the international community should make the best use of the Six-Party Talks for North Korea's denuclearization. China has chaired the Six-Party Talks since its inception in 2003. China admits the fact that the Six-Party Talks has failed in preventing North Korea's nuclear development. After North Korea's first

nuclear test, the Six-Party Talks has degenerated into the talks for 'nuclear renunciation' rather than 'dissuasion' of nuclear possession, and North Korea has sought to make use of the talks for 'nuclear disarmament' since its third nuclear test.

China is aware of the skepticism of the U.S., Japan and South Korea who doubt the effectiveness of the Six-Party Talks. It is a diplomatic cost for China who chairs the meetings. China points out the limitations of diplomacy as a reason behind the failure since nuclear development is deeply related to North Korea's domestic politics and their diplomatic needs. Furthermore, China speculates that the member countries' different priorities account for the failure since the U.S. aims for nuclear non-proliferation while Japan is more interested in abduction issues despite the member states have a common goal of a denuclearized North Korea.

China strongly defends that the effectiveness of the Six-Party Talks should be evaluated upon the assumption of the same circumstances in the absence of such mechanism, but not upon the visible outcomes of the talks. China insists that the Six-Party Talks have contributed in maintaining peace on the Korean Peninsula because there was a strong likelihood of an outbreak of another war.

China calls for collective efforts of the countries in the region for North Korea's denuclearization, and favors multilateral negotiations over bilateral ones since multilateral talks are more efficient in reducing the 'transaction costs'. Besides, it is easier for China to

pressurize North Korea through multilateral approaches rather than to have a direct encounter with North Korea.

During President Park Geun-hye's visit to China in June, 2013, China has moved away from the stubborn adherence to the Six-Party format and clarified that they can accept U.S.-China bilateral or ROK-U.S.-China trilateral talks within the framework of Six-Party Talks. However, China opposes the decision to hold such bilateral and trilateral meetings on a regular basis. China believes that the revival of the trilateral security conference such as the Trilateral Coordination and Oversight Group (TCOG) can bring about the reinforcement of security cooperation of Korea, Japan and the U.S. to pressure China.

In order for the Six-Party Talks to draw tangible achievements, member states need to have clear goals and their approaches need to be coherent. Since North Korea's third nuclear test, the goal of the Six-Party Talks has been clearly fixed on denuclearization. However, member states have not yet resolved the difference in their approaches to North Korea. China can impose various sanctions on North Korea, but the tough measures conflict with China's primary goal of stability on the Peninsula. Both the U.S. and South Korea calls for tougher sanctions on North Korea, which has repeatedly carried out nuclear tests. On the other hand, China holds fast to the position that the international community should discuss appeasement strategies such as providing satellite launch services and compensating

for the nuclear dismantlement along with the hard-line policies to press North Korea at the Six-Party Talks.

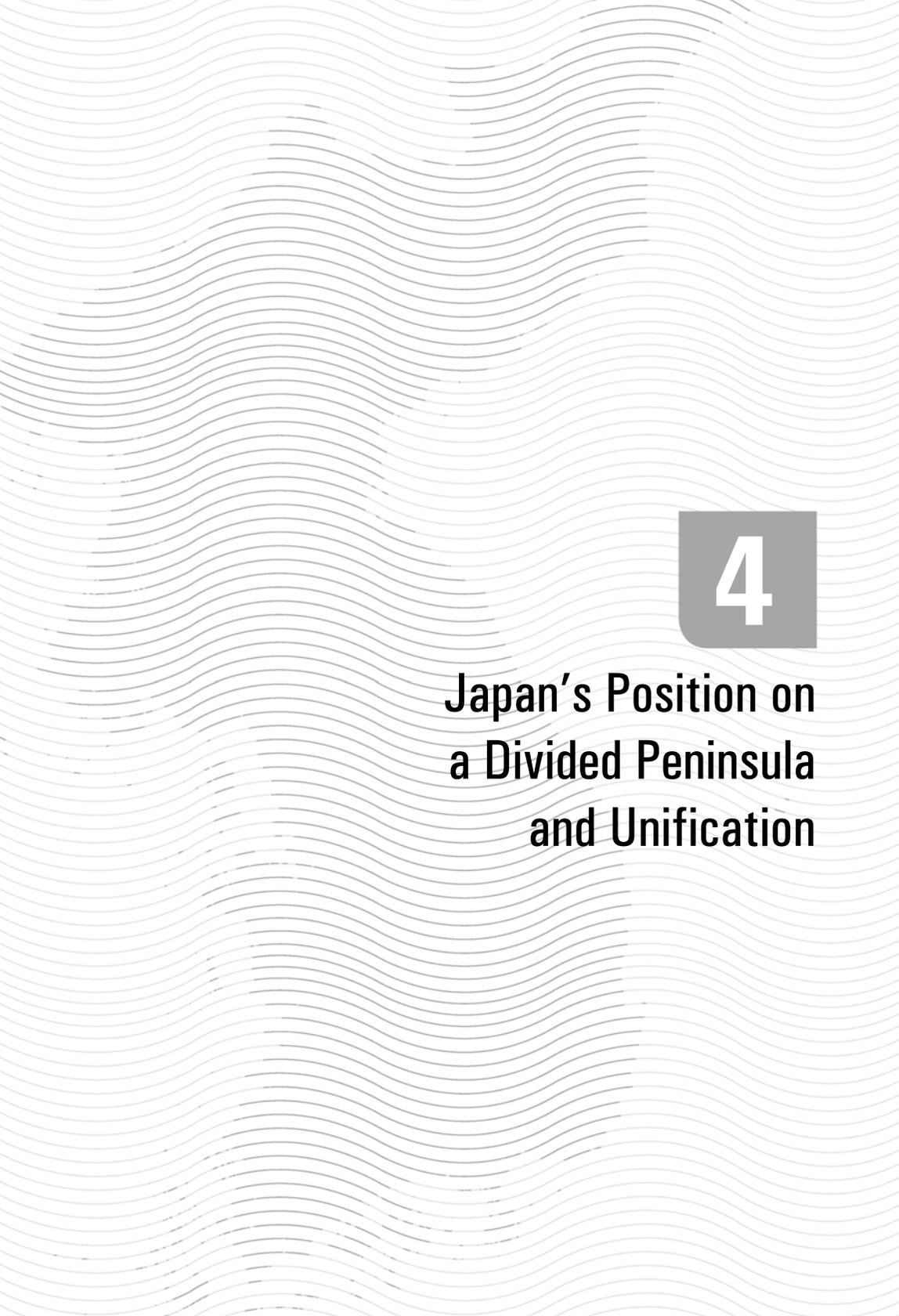
C. Views on a unified Korea's values and its desirable future

China urges that a unified Korea should aim for East Asia's co-prosperity based on regional culture. Behind such statement is China's fear that a unified Korea might interfere with China's domestic affairs with its Western values of human rights, democracy, and freedom. China, maintaining the one-party dictatorship, will be wary of a unified Korea's attempt to spread democracy.

Moreover, China wishes that the unified Korea serves the role as a regional balancer and mediator among the great powers. This will help form the new power dynamics in East Asia at China's will. If the public of a unified Korea grows nationalistic, an anti-Chinese sentiment might be intensified. Considering that a unified Korea and China are still facing unresolved problems such as historical issues and border conflicts, China regards that it is important for Korea to have a sense of an ideological balance.

China hopes a unified Korea will support denuclearization and stand as a successful nation moving forward to a 'world without nuclear weapons.' This is based on China's strategic consideration that their neighboring countries should not possess nuclear weapons.

However, China also expects a unified Korea to contribute to the formation of an East Asian regional security community with its peaceful, open and embracing foreign policy.



4

Japan's Position on a Divided Peninsula and Unification

4. Japan's Position on a Divided Peninsula and Unification

A. Costs and benefits of Korean division/unification

Japan's cost for the division of the Korean Peninsula can be seen in three aspects: military/national security, economic, and social. First, in the national defense and security aspect, Japan holds the view that the biggest cost of division is instability in East Asia caused by North Korea's nuclear issue. Not only North Korea's nuclear weapons, but also the long-range missiles they have developed and already possess are serious threats to Japan's national security. Economic cost in building military defense system as a means of defense readiness against North Korea's threats is also a great burden for Japan. Although North Korea has not carried out military provocations against Japan, Japan is still on full alert, and this has resulted in tremendous costs in military/national security aspects. In the socioeconomic sector, Japan pays special attention to the economic costs brought about by the division. More specifically, first, Japan is losing their potential opportunities in the vast market of a unified Korea, second, they cannot utilize the abundant mineral

resources in the North Korean region, and lastly, their ways into mainland China are hindered by the division of Korea. In terms of the social cost, Japan fears a societal division within the country under the special circumstances of Korean division. The fact that 600,000 Korean-Japanese are split into the pro- Pyongyang General Association of Korean Residents (*Jochongnyeon*) and the Federation of Korean Residents puts much constraint on the development of Japanese society. Another point of concern is that Japan has tightened its regulations in response to North Korea's security threats, a tendency that limits civil liberty.

A South Korea-led unification basically means the removal of the expenses mentioned above. Regional stability in East Asia better serves Japan's interests both in military/national security aspects and socioeconomic/cultural aspects. To elaborate, in the military/security perspective, Korean unification means removing 'the unpredictable country, North Korea,' and this implies that Japan is at last 'free from unpredictability and nuclear threats.' Moreover, unification will positively affect Japan's national security since it means the 'stabilization of China-Japan relations and China's constructive role in East Asian region' and easing the 'military burden that U.S. Armed Forces in Japan bears for Korea's national security.' Positive effects on socioeconomic/ cultural fields include, first and foremost, the unified Korea's contribution to Japan's economic revitalization. Japan is likely to experience increased demand in various fields such as the

maintenance of infrastructure in the North Korean region which is full of mineral resources, and a boost in its economy as the globalized market of a unified Korea results in an increase in purchasing power. Furthermore, as the 'East Asian economic community' initiative which includes a unified Korea, China, Russia and Japan comes into reality, Japan is expected to experience enormous economic effects.

Although Japan predicts that the positive effects of South Korea-led unification outweigh the negative one, they express certain concerns. The biggest concern is the relation between a united Korea and China. Japan fears that Korea's decision to nullify the ROK-U.S. alliance and closer relations to China would be a serious threat to their national security. In socioeconomic and cultural aspects, Japan cannot rule out the possibility of a unified Korea, with more than 70 million, emerging as a competitor as a similar-sized economic power. Furthermore, there is the possibility of a fierce competition between Korea and Japan in the socio-economic context.

B. Cooperation for Korean unification

Solving North Korea's nuclear issue and the denuclearization of the Korean Peninsula are seen as prerequisites for peace and prosperity on the Korean Peninsula and in East Asia. Japan views

that the stabilization of inter-Korean relations through dialogues is the first task. This will in part reduce constant threats on either state's government, and prevent North Korea's military provocations. During the process of the Six-Party Talks, if it is resumed with North Korea's genuine intention of denuclearization, Japan hopes to undertake an active role by, for example, normalizing diplomatic relations with North Korea thereby helping North Korea settle as a member of international community. Experts say such change would lead to the normalization of U.S.-DPRK relations and further provide a clue to solving North Korea's nuclear problems. On the other hand, demonstrating that there are huge benefits for pursuing economic developments instead of nuclear developments is another good idea. Japan can also provide humanitarian assistance to North Korea such as providing medical supplies and food, depending on their attitude towards the abduction issue. The next step suggests the possibility of cooperation in constructing the Rason harbor and contributing to the development of North Korea's higher education system. An effective way for Japan to contribute to the resolution of North Korean problem is to expand their influence over North Korea through these processes.

Japan has already agreed to the 'Japan-DPRK Pyongyang Declaration' in 2002 with North Korea, and it mainly clarifies the urgent need to solve the nuclear issue and to normalize Japan-DPRK relations. It is still valid, and it represents Japan's official position on

the matter. Japan has made clear their intention to start negotiations to put the 'Japan-DPRK Pyongyang Declaration' into action, in close collaboration with South Korea when inter-Korean relation stabilizes and North Korea expresses its will to cooperate.

Japan praises South Korea's effort in solving North Korea's nuclear issue but at the same time indicates a few points of concern. Above all, Japan calls for South Korea to 'play a leading role in arranging the allocation of duties with the countries involved in the issue.' This is because currently, South Korea is faced with the task of relieving the tension through inter-Korean dialogues and to promote interaction on its own. Based on this, Japan perceives that South Korea can cooperate with the U.S. on the issue of North Korea's nuclear weapons and missiles, and cooperate with Japan on the issue of economic assistance. In a similar context, Tokyo requests Seoul to recognize the role of the closest neighbor, Japan, which South Korea can share the understandings with, rather than relying solely on the superpowers, namely the U.S. and China. In other words, this could be interpreted in such a way that 'Japan cannot accept the Northeast Asian dialogue process in which the U.S., China and Korea participates, with itself excluded.' Although the U.S. and China undertake an important role in garnering support within international organizations that deal with North Korea's nuclear issue such as the UN and Non-Proliferation Treaty (NPT), Japanese experts consider that the cooperation between Korea and Japan in

dealing with North Korea's denuclearization would double the impact.

C. Views on a unified Korea's values and its desirable future

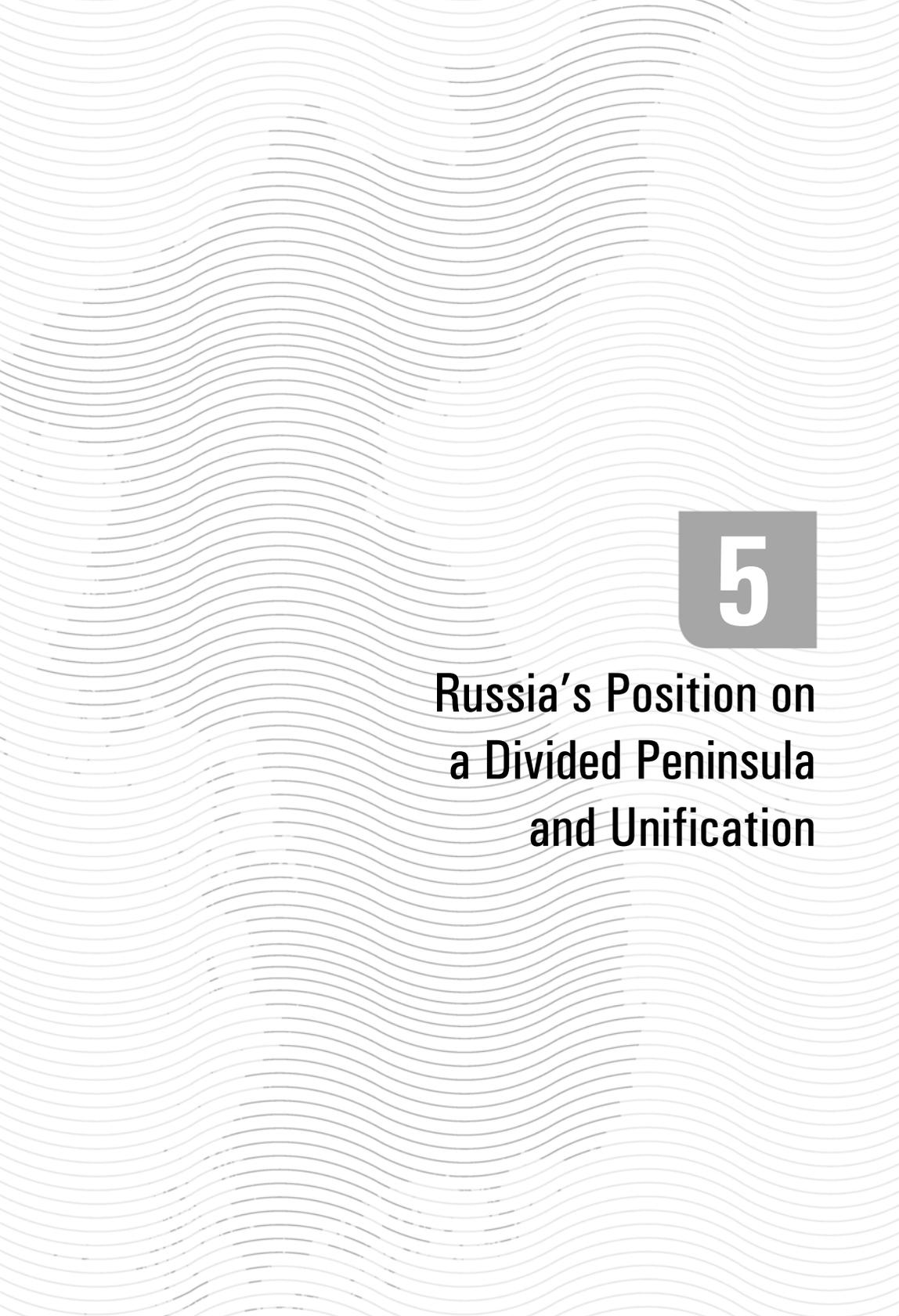
Japan pictures a unified Korea as a 'democratic country which is able to cooperate with Japan on East Asia's peace and prosperity.' To specify, first, Japan wishes Korea to become a democratic country based on universal values such as democracy, market economy and the rule of law. Second, Japan hopes a unified Korea to be a capitalist state with an open economy based on free trade. Third, Japan wishes for the elimination of all threats on neighboring countries as an appropriate level of disarmament becomes a possible scenario by the obsolescence of inter-Korean conflict. Finally, Japan hopes that a unified Korea does not lean greatly toward nationalism but maintains a balance between idealism and pragmatism. In sum, Japan expects a unified Korea to become a friendly nation who shares with Japan the values of democracy and market economy.

In regards to foreign relations, Japan strongly wishes that a unified Korea does not invade Japan's core interests. More specifically, they argue that Korea should symbolize world peace in the East Asian region as a country in transition from a divided country to a unified one. This is a call for Korea to end the

ideological rivalry among countries and present the future vision promoting universal values such as peace and mutual development. In a similar context, Japan emphasizes Korea's role in forming many kinds of networks. That is to say, Korea should be able to play the key role somehow, as it is at the very center of regional networks such as inter-Korean relations, ROK-U.S. relations, ROK-China relations and ROK-U.S.-Japan trilateral relations.

It is interesting to keep in mind the Japanese view that a unified Korea can perform an excellent role as a hub of Northeast Asian economic community thanks to its geographical advantage. Seoul is located at the center of Northeast Asia's air transportation route, and the to-be-build railway between Siberia and Seoul. Northeast Asia's best-case scenario is establishing the regional economic community with the participation of China, Japan, Taiwan, Hong Kong and Korea at the center.

Lastly, considering the special relationship between Korea and Japan, Japan claims that it is against Korea's national interest if they refuse to discuss the future with Japan, being judgmental of the past with current values, thus, persisting on their different interpretations of history. In other words, Japan suggests that a unified Korea should not be tied down by the past but discuss the future, which is in not only Korea's interests but also all other countries of Northeast Asia.



5

**Russia's Position on
a Divided Peninsula
and Unification**

5. Russia's Position on a Divided Peninsula and Unification

A. Costs and benefits of Korean division/unification

The largest military and security cost that Russia bears due to Korea's division is the instability on the Korean Peninsula and in Northeast Asia due to inter-Korean confrontations. This brings about military collision or political struggle in the local and regional level as well as unpredictable situations due to North Korea's provocations. Russia feels burdened by this instability and its implications.

For Russia, the cost incurred in socioeconomic/cultural sectors is also considerable. Moscow adheres to their strategies of leading economic prosperity in the Far East/Siberian region through foreign and security policies and of elevating its global status by actively participating in the economic integration of the Asia-Pacific region which is based on multilateral cooperation. However, symbolic business projects such as Russia-South Korea gas pipelines and TSR-TKR linkage projects are more or less restricted due to North Korea's recent provocations.

The positive side of unification is the stability on the Korean

Peninsula and East Asia. Korean unification will contribute to the stability of Northeast Asian diplomatic relations as it greatly reduces the probability of confrontations and military skirmishes on the Korean Peninsula. On the other hand, negative aspects include the rise of a unified Korea and the following changes in Northeast Asian power dynamics. From Russia's point of view, Korean unification indicates the emergence of a new power near its borders, and not only does it damage Russia's national interests, but also involve the possibility of disturbing the balance of power. Another downside is that Russian defense industry is likely to lose its important buyer, North Korea, due to Korean integration.

The positive aspects in socioeconomic/cultural fields are, as mentioned above, the increase in possibility of the Far East/Siberia development program which has been the priority of Russia's modernization, and the creation of new export market of natural resources of the region. A unified Korea's heavy demand on energy provides Russia with an incentive to develop new energy markets, and Russia can cooperate with Korea in oil exports and PNG/LNG development plans.

Meanwhile, although Korean unification is hardly negative in the economic sector, if Korea's investment concentrates on North Korea, it will work to Russia's disadvantage which has a differentiated priority of developing the Far East/Siberian region. Moreover, in the socio-cultural sector, neighboring countries including Russia will be burdened by the social resistances caused by dissatisfaction among

North Korean people during the transitional period. This is because sharp increases in illegal immigrants from North Korea due to mass unemployment will reach an unmanageable level.

Russia's greatest concern is any of the four Northeast Asian superpowers' attempts to attain strategic superiority on the Korean Peninsula. If any country seeks to break the balance of power in Northeast Asia, it would be a serious challenge to Northeast Asia's multilateral cooperation and regional peace. In this respect, a unified Korea should not harm its neutrality in the region, but solve the problem by cooperating with the four countries and the international community.

Russia is prepared to accept any possible scenarios under the condition of respecting democratic procedures and excluding any kind of foreign intervention. From that standpoint, integration of the Korean Peninsula could be a rational alternative to confederative model. The confederative model is a type of integration which combines two different political systems and governments of respective authorities in legislation, diplomacy, national defense, economy and social policies. In this line of thought, the process of integration must be pursued gradually, simultaneously followed by additional efforts to make a detailed long-term master plan for Korean unification. Moreover, the countries involved in this matter have a responsibility to build a collective security system to stabilize the Korean Peninsula and East Asian regional situations.

B. Cooperation for Korean unification

Russia supports the denuclearization of the Korean Peninsula as a foreign policy, abides by the UNSC resolutions and gives its support to the gradual progress in dialogues within the framework of the Six-Party Talks. Considering that North Korea is unlikely to declare the renunciation of its nuclear weapons in the near future, neighboring countries must draw up measures to halt further developments of their nuclear program, and make constant efforts with a long-term perspective. Russia can play a significant role in solving North Korean nuclear issue especially given that Russian experts can quite accurately predict the progress of related programs. South Korea should exercise its political and economic influence over North Korea with the help of China and Russia. China has close relations with high-ranking government officials in North Korea, and Russia has considerable influence over North Korea's military authorities. In this respect, South Korea, with neighboring states, should convince North Korea to rejoin NPT and Comprehensive Nuclear Test Ban Treaty (CTBT).

Meanwhile, the Six-Party Talks can lay the foundation for an international organization which guarantees East Asian countries' national security based on comprehensive influence, and perform the role of an 'open platform' by discussing the main agenda that serves all of East Asian countries' interests. Russia thinks that it is in their

interest to make joint efforts with the members of the Six-Party Talks in providing a security mechanism for peace in East Asia. For this matter, Russia wishes to resume inter-governmental talks unconditionally as soon as possible. Member nations have to discuss current issues such as the possible solutions to ban nuclear tests, and hold six-party working sessions on a regular basis to solve this.

Another measure for the stabilization of the Korean Peninsula is to hold bilateral discussions and talks more frequently. Member states can express their views on the issue and search for practical solutions. Moreover, failures of the Six-Party Talks can be re-examined through 'five-party talks' and teach a lesson to the states in reaching an agreement. Likewise, the progress in multilateral talks among the great powers will help the establishment of a new structure against security threats in Northeast Asia including North Korean nuclear weapons.

Russia acts as a well-qualified catalyst of East Asia multilateral cooperation in that they are greatly interested in multilateral cooperation but are not the main stakeholder in this region. Russia expects tangible results in the field of economic cooperation such as Russia-South Korea pipelines and TSR-TKR linkage project and economic integration of Asia-Pacific region, and such cooperation benefits relevant countries in Northeast Asia including Korea.

C. Views on a unified Korea's values and its desirable future

The most important value in the process of Korean unification should be the principle of mutual respect and cooperation. In order to achieve such values, a unified Korea should put aside the tragedy of 'fratricidal war' and devote efforts to create rightful perceptions of one another based on mutual understanding. Also, they should recognize and support basic values such as world peace, regional stability in East Asia, co-prosperity, social development, human rights and political freedom, and stand as a nation to defend such values.

The prerequisite condition is the removal of the North Korea threat. South Korea should perform a more active role as a mediator among the great powers, and further suggest an achievable model to simulate East Asian integration and Korean unification. In this manner, establishing a Korean nationalistic stance in a sound sense will be a catalyst to overcome the domestic contradictions and fears, leading to an opening that naturally integrates the divided Korea into one.

Cooperation with neighboring countries is essential in the unification process. If North Korea begins to implement the actual process, South Korea needs to assist in establishing systems and structures such as statistical service and communication system in cooperation with the great powers in Northeast Asia, leading to the normalization of the North Korean society. Also, during North

Korea's transitional period, South Korea and neighboring Northeast Asian countries need to compromise on the process of 'normalizing' North Korea that involves the establishment of a market economy, trade/investment expansion, regional security dialogues, and humanitarian assistance.

In order to set the right future vision for a unified Korea, Koreans need to convince the neighboring powers that they are willing to achieve the denuclearization of the Korean Peninsula, and build a politically/economically advanced society. At the same time, it is an equally important task to assure their foreign partners that they are ready to abide by international law and respect mutual interests. Following this standpoint, Korea must prioritize 'win-win' strategies for increased economic cooperation, and support a development cooperation paradigm for the Asia-Pacific region.

A unified Korea, as a neutral nation, should not worsen political situations in Northeast Asia or increase uncertainty among the core players in the region. Therefore, Korea should not participate in or support any political or military organizations led by certain political forces, but protect its sovereignty, pursue independent foreign policies, and further take firm measures to achieve denuclearization on the Korean Peninsula. Moreover, Korea should act responsibly and have a spirit of tolerance in dealing with numerous tasks, and closely coordinate the five countries' interests regarding the value of a unified Korea.

The Perceptions of Northeast Asia's Four States on Korean Unification

This paper analyzes the perceptions of four powers (namely, the United States, China, Japan and Russia) with regard to the division of the Korean peninsula and the unification of the two Koreas. The analysis is based primarily on an in-depth survey of 20 experts (5 for each country). This book is part of an ongoing effort by the Korea Institute for National Unification (KINU) to strengthen South Korea's unification diplomacy.